



# Transformative Climate Communities Program

Randall Winston, Executive Director, SGC

Chris Calfee, Senior Counsel, Office of Planning and Research

December 6, 2016 | Sacramento, CA



CALIFORNIA  
STRATEGIC  
GROWTH  
COUNCIL



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# Background

- Assembly Bill 2722 created the Transformative Climate Community Program (Program), to be administered by the Strategic Growth Council, to “fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities, as described in Section 39711 of the Health and Safety Code.” (Pub. Resources Code § 75240.)
- Governor Brown signing message for AB 2722

# Overview of Proposed Rulemaking

## Proposed Rulemaking:

- On September 23, 2016, the SGC proposed to adopt the following regulations:

*Transformative Climate Community Program funds shall be allocated in the cities of Los Angeles and Fresno, and a third location. A minimum of half of the funds shall be allocated in the City of Fresno. A minimum of one fourth of the funds shall be allocated in the City of Los Angeles.*

# Overview of Proposed Rulemaking

## Initial Statement of Reasons:

- AB 2722 states that SGC *“may give priority to plans and projects that cover areas that have a high proportion of census tracts identified as disadvantaged communities and that focus on communities that are most disadvantaged.”*
  - Cities of Fresno and Los Angeles have the largest populations living in the most severely disadvantaged communities
- Consideration of neighborhood level transformation
- Consideration of investment in Los Angeles, Fresno and a third location

# Overview of Proposed Rulemaking

- The Rulemaking DOES...
  - Allocate a portion of total Program funds to specific geographies (i.e. within the cities of Fresno and Los Angeles)
  - Allocate a minimum percentage of funds to specific geographies (i.e. a minimum of 50% within the City of Fresno and a minimum of 25% within the City of Los Angeles).
- The Rulemaking DOES NOT...
  - Establish guidelines or criteria for funding awards, e.g. specific types, location, or characteristics of projects eligible for funds, within the proposed cities;
  - Establish guidelines or criteria for selection of the third TCC location.

# Overview of Public Comments & Responses

- Public comment period from September 23, 2016 to November 7, 2016
- Public hearing held in Fresno on November 7, 2016
- SGC received 67 entries by mail, email and public testimony in English and Spanish

# Overview of Public Comments & Responses

## Public Comment Summaries

- Many comments supported the proposed allocation to the cities of Fresno and Los Angeles
- Other comments proposed alternative methodologies for identifying disadvantaged communities, different percentages for the funding allocations, and broader geographic areas
- Many of the comments addressed the allocation of the remaining funds and grant program guidelines, both of which the Council will consider in a future phase of Program development



# Overview of Public Comments & Responses

## Public Comment Responses by SGC staff

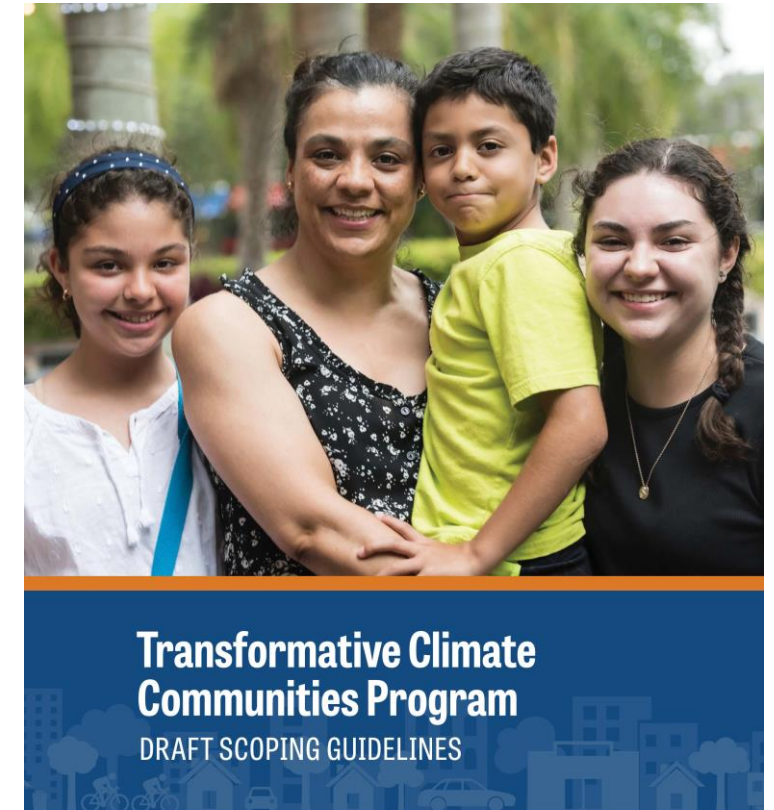
- AB 2722 defines ‘disadvantaged communities’ using CalEnviroScreen (Section 39711 of the Health and Safety Code)
  - SGC used CalEnviroScreen as its methodology for identifying ‘disadvantaged communities’
- AB 2722 states that SGC *“may give priority to plans and projects that cover areas that have a high proportion of census tracts identified as disadvantaged communities and that focus on communities that are most disadvantaged.”*
  - SGC exercised its discretion to prioritize; Cities of Fresno and Los Angeles have the largest populations living in the most severely disadvantaged communities.
  - SGC allocated 50% to Fresno because of its depressed real estate market compared to the City of Los Angeles.
- SGC staff finds it must focus public investment to leverage private investments to “support innovative community and climate transformation in disadvantaged communities.”

# Next Steps in Rulemaking Process

- Staff proposes that rulemaking documents be submitted to the Office of Administrative Law:
  - Express Terms of Proposed Rulemaking
  - Final Statement of Reasons
  - Appendix A: Public Comment Summaries and Responses
  - Appendix B: Public Comments and Public Hearing Transcript
  - Updated Informational Digest

# Transformative Climate Communities Program Timeline

- Rulemaking
- **Draft Scoping Guidelines released on November 23, 2016**
  - Initial program framework, open for public comment until January 9, 2017
- **Draft Guidelines to be released in Winter 2017**
  - Specific guidelines, selection criteria, and competitive process for individual applications as well as procedures for Program implementation
  - Followed by public workshops throughout the State, and further guidelines revision
- **Call for Applications**
- **Awards & Program Implementation**



# Recommended Action for Council

**Adopt the proposed regulation and direct staff to finalize the rulemaking documents for submission to the California Office of Administrative Law**

## **Proposed Regulation:**

*Transformative Climate Community Program funds shall be allocated in the cities of Los Angeles and Fresno, and a third location. A minimum of half of the funds shall be allocated in the City of Fresno. A minimum of one fourth of the funds shall be allocated in the City of Los Angeles.*